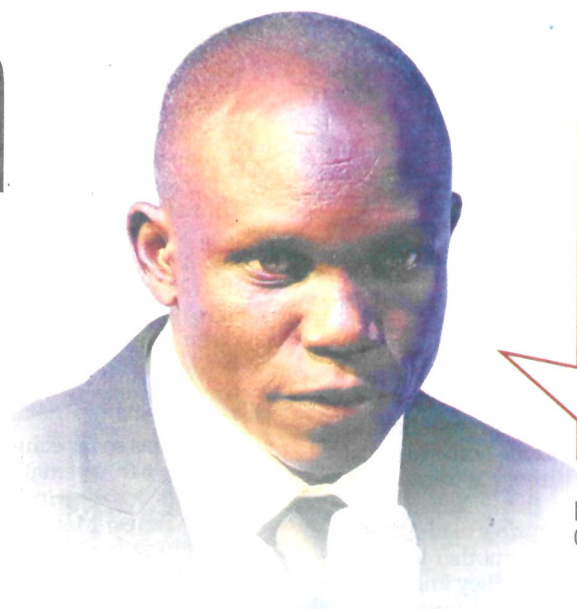


A small firm thinks big

A small agriculture-based firm lists its shares on the Enterprise Growth Market of the DSE, and aims to reach every district in the country with agro-farming, agro-processing projects and marketing services **PAGE 2**



“In the sense of increasing market capitalisation, I admit it's very low. The important thing here is that the number of listed companies has increased. We had not listed a company since Vodacom and TCCIA

Moremi Marwa, DSE Chief Executive Officer

5,000

The number of small-scale farmers Jatu has so far connected with in Morogoro, Tanga, Manyara and Njombe regions. The farmers have cultivated a total of 8,978 acres of various food crops



Sh1.08bn

Armed with a total of Sh1.08 billion in issued and paid-up share capital, the firm yesterday listed a total of 2,164,349 shares at the Dar es Salaam Stock Exchange, trading at a price of Sh420 per share.

A small firm thinks big

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Dar es Salaam. A small agriculture-based firm yesterday listed its shares on the Enterprise Growth Market (EGM) of Dar es Salaam Stock Exchange (DSE) in a deliberate move to share its ambitious aspirations with the wider Tanzanian population.

Jenga Afya, Tokomeza Umasikini (Jatu) Plc, which was established four years ago, targets to reach every district in the country with agro-farming, agro-processing projects and marketing services, according to chief executive Peter Isare.

Jatu has so far connected nearly 5,000 small-scale farmers located in Morogoro, Tanga, Manyara and Njombe regions, cultivating a total of 8,978 acres of various food crops.

"We believed that through the listing at the EGM it would be able to attract global and foreign capital in the country as well as widen the application of modern agriculture technology," said Isare yesterday during the official

listing event at the bourse.

For the past three years, the company recorded a significant increase in its net profit posting Sh40 million profit in 2019, higher than the Sh15.9 million posted 2018 - and Sh6.3 million recorded in 2017.

However, due to the adverse impact of the Covid-19 pandemic that affected demand, the company's projections portray a negative profit of about Sh34 million in the initial year of 2020 representing a decline of 2.7 percent net profit.

The Jatu boss added: "We have had a good profit trend since we started and with our new designed projects we expect a significant growth in profit".

Armed with a total of Sh1.08 billion in issued and paid-up share capital, the firm yesterday listed a total of 2,164,349 shares at the DSE, trading at a price of Sh420/share.

DSE Chief Executive Officer Moremi Marwa said Jatu's listing was an indication of how the market could be used by companies, especially small and medium-sized companies, to increase the scope of investors and raise capital

to boost investment.

"In the sense of increasing market capitalization, I admit it's very low, the main thing here is that the number of companies listed has increased, the last time it was Vodacom and TCCIA after that we never listed another company," said Marwa.

He added that the level of capital increase in the market is less than one percent but the main benefit brought by Jatu is that it has increased investors in the market following the company having come up with 1,200 new investors.

He also said that Jatu has brought ordinary people into the market so investment in the stock market will probably increase its productivity in the community.

The CEO, Capital Markets and Securities Authority (CMSA), Nicodemus Mkama said it was a milestone not only for the economic sector in Tanzania but also the East African community (EAC) and the Southern Africa Development Community (Sadc).

"Unemployed youths have started a company that has created direct and indirect 10,650 jobs, and now

is listed in the DSE they have 17,678 acres of land, established industries that process flour, sunflower oil, paddy, cereals to a tune of 8,670 tones," he said.

According to him, Jatu also owns supermarkets in Arusha, Mtwara, Mwanza, Dodoma and Dar es Salaam and ICT that benefits a total of 76,699 people and plans to add more countrywide.

He stressed that Jatu is keen on empowering women, youths and farmers in the rural areas and at least 46 percent of direct jobs are women.

He said the brains behind Jatu are youth who participated in the Capital Markets Universities and Higher Learning Institutions Challenge that is organized by CMSA following directives from the Minister of Finance and Planning Dr Philip Mpango aimed at empowering the youth to become true investors of the Capital Markets.

"We envision to see the youth investing in different sectors including agriculture, trade, industries and digital technology and thereby create employment for the youths and ultimately contribute to the country's economy.